



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Tuesday Evening, August 02, 2016

Electricity

Hydro One Reports 14,000 Customers without Power Due to Substation Fire in Ontario August 1

Hydro One on Monday reported approximately 14,000 customers in Ontario were without power after a fire at its Rutledge Road substation. A 115 kV insulator at the substation malfunctioned and caused the fire, the utility said. As of 10:30 a.m. EDT Monday, 313 customers remained without power.

<http://www.hydroone.com/StormCenter3/>

<http://www.kingstonregion.com/news-story/6791161-update-fire-at-rutledge-road-substation-leads-to-over-14-000-without-power-in-south-frontenac/>

Update: TVA's 1,155 MW Browns Ferry Nuclear Unit 1 in Alabama Restart, Ramps Up to 59 Percent by August 2

The unit was shut from 37 percent on July 27 and the cause was not immediately known.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

FPL's 839 MW Saint Lucie Nuclear Unit 1 in Florida Shut August 1

The unit was shut from 72 percent due to a pressure boundary leak greater than the allowable limit.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

PPL Electric Introduces Automated Power Restoration System in Pennsylvania

PPL Electric Utilities introduced a new automated power restoration system that restores power to customers in minutes, even before a work crew has made repairs. The PPL smart grid uses advanced technology that includes pole-top sensors to detect outages, a central computer that quickly analyzes the problem, and remote-control switches that reroute power and restore many affected customers to service. During severe thunderstorms the week of July 18, the PPL smart grid restored 9,488 homes and businesses to service in an average of one minute and 56 seconds. The following week, during another round of severe storms, the technology restored 5,308 customers automatically in an average of one minute and 36 seconds.

<http://pplweb.mediaroom.com/index.php?s=12270&item=137262>

Petroleum

Coast Guard Says Crude Oil Spill Secured near Main Pass, Louisiana August 2

The Coast Guard on Tuesday said a crude oil spill near Main Pass, Louisiana was secured and the waterway was not closed. About 420 gallons of oily water mixture has been recovered after an estimated maximum potential of 4,200 gallons of crude oil discharged from a well owned by Texas Petroleum Investment Company. The Coast Guard, Louisiana Department of Environmental Quality, Louisiana Oil Spill Coordinators Office, and Louisiana Department of Wildlife and Fisheries were overseeing the response. Coast Guard Air Station New Orleans and Southern Seaplane aircrews are conducting aerial assessments of the site and surrounding areas. The cause of the incident was under investigation.

<http://www.uscgnews.com/go/doc/4007/2870974/>

Reuters, 14:05 August 2, 2016

Oil Spill Reported on Cumberland River near Nashville, Tennessee August 2 – Local Media

Officials on Tuesday morning were investigating an oil spill on the Cumberland River near downtown Nashville, Tennessee, according to a local media report. The Coast Guard found 5 to 10 gallons of petroleum that they believe came from land about 300 yards south of the Silliman Evans Bridge then washed into storm drains. River traffic was slowed during the incident, but the area was never completely shut down. The oil dispersed and was expected to be clear by later Tuesday afternoon. The Coast Guard, Metro Water Services, the Nashville Fire Department, and the Office of Emergency Management all responded to the scene.

<http://www.wmcactionnews5.com/story/32596959/crews-responding-to-petroleum-spill-on-cumberland-river>

Dakota Access Oil Pipeline Construction Sites in Iowa Damaged by Arson August 1

Three Dakota Access oil pipeline construction sites in central Iowa were damaged by a fire on Monday morning, near the cities of New Sharon, Newton, and Reasnor. The Jasper County Sheriff said it appears the fires were intentionally set along the pipeline with damage to bulldozers and other heavy equipment estimated at \$1 million. In response to the damage, Dakota Access said it increased security along the route and is actively pursuing the situation with law enforcement. The pipeline, which crosses 18 Iowa counties, has received strong opposition from environmental and landowner rights groups. Investigators believe someone could be targeting equipment designed to build the controversial pipeline and the State Fire Marshall along with the Department of Criminal Investigation are working in collaboration with both Mahaska County and Jasper County. The 1,772-mile, 30-inch diameter Dakota Access pipeline will connect the Bakken and Three Forks production areas in North Dakota to Patoka, Illinois. It will transport approximately 450,000 b/d with a capacity as high as 570,000 b/d or more, and is projected to be in service by the fourth quarter of 2016.

<http://www.dapipelinefacts.com/>

<http://whotv.com/2016/08/01/arson-targets-bakken-oil-pipeline-in-iowa-causes-millions-in-damages/>

<http://kwqc.com/2016/08/01/fires-set-at-dakota-access-pipeline-sites/>

ExxonMobil Returns Reformer to Production at Its 502,500 b/d Baton Rouge, Louisiana Refinery August 2 – Sources

A twin-train catalytic reformer returned to production on Tuesday at ExxonMobil Corp's Baton Rouge, Louisiana refinery, said sources familiar with plant operations. The reformer, which has a combined capacity of 78,000 b/d, was knocked out of production on Monday, the sources said.

Reuters, 3:24 August 2, 2016

Valero Reports Flaring at Its 205,000 b/d Corpus Christi East, Texas Refinery August 1

Valero reported flaring at its Corpus Christi East, Texas refinery on Monday.

Reuters, 2:47 August 2, 2016

Phillips 66 Reports Boiler Shut at Its 44,500 b/d Santa Maria, California Refinery August 2

Phillips 66 reported a boiler shutdown at its Santa Maria, California refinery, according to a filing with the California Emergency Management Agency. The refinery was in the process of bringing the boiler back online and the facility was continuing to operate, Phillips 66 said.

Reuters, 12:16 August 2, 2016

Magellan to Commission 50,000 b/d Condensate Splitter at Its Corpus Christi, Texas Terminal in September

Magellan Midstream Partners on Tuesday said it will begin the commissioning process for its new 50,000 b/d condensate splitter at its terminal in Corpus Christi, Texas in September. Construction on the project is nearly complete, and the splitter is expected to be commercially operational by the fourth quarter of 2016, Magellan said. The splitter is expandable to 100,000 b/d and underpinned by a long-term take-or-pay agreement with Trafigra.

<http://www.magellanlp.com/magellannews.aspx?id=4E1F8F5A-B342-4EA4-A0BC-B81467BC1C47>

Reuters, 11:47 August 2, 2016

Golden Pass' Natural Gas Export Terminal in Texas Receives FERC's FEIS, Moves into Final Permitting Stages August 1

The Federal Energy Regulatory Commission (FERC) published the Final Environmental Impact Statement (FEIS) for Golden Pass Products' (GPP) proposed \$10 billion liquefied natural gas export project to be built at the existing Golden Pass LNG import facility in Sabine Pass, Texas. The final EIS concluded GPP would have no significant impact on the environment when recommended mitigation measures are implemented and moves the project into the final stages of permitting. Golden Pass Products currently expects to complete permitting in 2017. The project has received U.S. Department of Energy authorization for exports to Free Trade Agreement countries and awaits DOE authorization to export to non-Free Trade Agreement nations.

<http://m.beaumontenterprise.com/news/article/Golden-Pass-clears-a-final-hurdle-for-10B-project-8665476.php>
http://www.downstreamtoday.com/news/article.aspx?a_id=52996

Other News

Nothing to report.

International News

Iraq Expects to Reach 400,000 b/d Output at Halfaya Oilfield in 2018 – Oil Ministry

Iraq expects to double output at the southern Halfaya oilfield, to reach its planned maximum of 400,000 b/d, in 2018, the oil ministry said on Tuesday. The government has approved PetroChina's plans to launch the third phase of development at the field that now produces about 200,000 b/d, said ministry said. Iraq last year increased production by more than 500,000 b/d, despite spending cuts by companies working at the southern fields and conflict with Islamic State militants.

Reuters, 14:28 August 2, 2016

Update: Petroperu's 12,000 b/d Pipeline in Peru to Remain Shut Six Additional Months after Third Oil Spill

Petroperu's 687-mile Northern Peruvian pipeline will remain closed until at least 2017 after its third spill in five months. Peru's government ordered the closure of the 40-year-old pipeline following two oil spills in February, which resulted in over 3,000 barrels contaminating the Amazon River. Petroperu was fined \$3.5 million when a third spill occurred in the Maynas Province of Loreto state on June 24, spilling around 600 barrels. A spokesman for Petroperu said it was not transporting oil at the time of the spill but conducting a "pump test" to clear waste and residue from a refinery in Iquitos. Peru was producing 37,000 b/d of oil, down from 58,000 b/d in 2015.

<http://perureports.com/2016/08/01/peru-pipeline-closed-six-months-following-third-oil-spill/>

TransCanada, Sierra Oil & Gas and Grupo TMM Propose New Refined Products Storage and Transportation Infrastructure in Mexico

TransCanada Corporation, Sierra Oil & Gas, and Grupo TMM on Tuesday announced they are proposing to jointly develop storage and transportation infrastructure to serve the growing demand for refined products such as gasoline, diesel, and jet fuel in the central region of Mexico and surrounding markets. The proposed \$800 million project would involve transporting refined products into central Mexico from the Gulf Coast. The project includes a marine terminal near Tuxpan, Veracruz for offloading and distribution of refined products; an approximately 165-mile refined products pipeline; and an inland storage and distribution hub in central Mexico. The marine terminal, with a draft of 42 feet, will include four docking positions. The approximately 100,000 b/d refined products pipeline will parallel TransCanada's Tuxpan-Tula natural gas pipeline project. The planned in-service date will be based on discussions with contract shippers.

<http://www.transcanada.com/announcements-article.html?id=2075738&t>

Energy Prices

U.S. Oil and Gas Prices			
August 2, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	39.45	42.11	45.62
NATURAL GAS Henry Hub \$/Million Btu	2.87	2.81	2.77

Source: Reuters

Links

This Week in Petroleum from the U.S. Energy Information Administration (EIA)

<http://www.eia.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM ET every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM ET every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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